

233 South Wacker Drive Suite 800 Chicago, IL 60606

312-454-0400 (voice) 312-454-0411 (fax) www.cmap.illinois.gov

MEMORANDUM

To: CMAP Board

From: Ylda Capriccioso

Date: June 9, 2010

Re: Legislative Report as of May 27, 2010

CMAP Budget Update

On May 27, the House concurred on HB 859, which was passed by the Senate prior to their May 7 adjournment. This bill includes \$5 million for statewide MPO and CMAP funding for regional planning through IDOT appropriations. The bill now goes to the Governor for his signature. However, not all budget and related issues have been resolved. Since May 7th, Democratic leaders have been working to develop funding solutions for the budget deficit. Democratic leaders want to pass something prior to June 1, since a vote on or after this date will require a super majority vote. There have been reports that the state borrowing option is hold up in the Senate leaving a vote for after June 1. Proposals to help the state out of the \$13 billion deficit include requiring retired state employees to begin paying for a portion of their health care (\$100 million), renegotiate and rebid all state contracts (\$500 million) and make a five percent across-the-board cut to state operations (\$30 million). Another \$100 million would be slashed in higher education. Staff continues to monitor the various budget bills being amended and will keep the board informed of any changes that directly affect CMAP policies.

Budget & Other Funding Bills

State Appropriations <u>HB 859</u> – This is the spending bill that sets appropriation amounts and revenue sources for various state agencies, including IDOT. Passed Both Houses 5/26.

Pension Freeze <u>HB 543</u> – This is the budget implementation bill that includes pension freeze language. Pending Committee Action 5/27.

Emergency Budget Powers <u>HB 2428</u> – This bill gives the Governor emergency budget powers such as for emergency rulemaking authority and transferability between spending programs. House concurs on Senate Amendments 5/27.

Restores K-12 Funding HB 991 – This bill includes reduction to categorical programs in K-12 education, linked to SB 44. Pending Committee Action 5/27.

Cigarette Tax SB 44 – This bill increases the cigarette tax by \$1 per pack in a two-year phase. Held on Second Reading 5/19.

State Appropriations with Cuts SB 1211 – This bill includes the amendments with proposed spending cuts by Republicans. Held on Second Reading 5/7.

Pension Borrowing SB 3514 – This bill authorizes an additional \$4,096,348,300 in bonds for the State to be used for the purpose of making the FY 2011 required contributions to designated retirement systems. Pending Senate Floor Action 5/27.

Bills Sent to the Governor

Bicyclist Safety SB 2951 – Silverstein (D-Chicago); *House Sponsor: Sente (D-Chicago)* – This bill makes it a Class 4 felony to intentionally menace bicyclists, pedestrians or equestrians on roadways. Sent to the Governor.

Road Districts SB 3430 – Althoff (R-Crystal Lake); *House Sponsor: Tryon (R-Crystal Lake)* – This bill allows all road districts to be sued, to acquire property and to enter into contracts. Sent to the Governor.

Motor Fuel Tax SB 3462 – Link (D-Waukegan); *House Sponsor: Winters (D-Shirland)* – This bill amends the MFT law to allow road districts to collect a portion of MFT taxes. Sent to the Governor.

Road Districts SB 3592 – Bond (D-Grayslake); *House Sponsor: Froelich (D-Schaumburg)* – This bill requires IDOT to inventory all township road districts in counties with 1 million or more inhabitants, including miles of roads, costs for maintenance, taxes, number of employees, etc. Sent to the Governor..

Bills that Passed Both Houses

Bills not included in the May Report.

*Sales Tax SB 3134 – Harmon (D-Oak Park); *House Sponsor: Yarbrough (D-Broadview)* – This bill allows non-home rule municipalities to use non-home rule sales tax receipts for municipal operations in addition to expenditures for public infrastructure. Passed Senate (56Y; 0N). Passed House (70Y; 39N).

*TIF Notice SB 3152 – Link (D-Waukegan); *House Sponsor: Froelich (D-Schaumburg)* – This bill would require municipalities and counties to disclose in yearly status reports the amount of revenues generated in and expenditures made by the governing body in economic development/TIF areas. Passed Senate (54Y; 2N; 1P). Passed House (117Y; 0N).

*Industrial Jobs SB 3619 – Syverson (R-Rockford); House Sponsor: Winters (R-Rockford) – This bill amends the Industrial Jobs Recovery Law in the Illinois Municipal Code. It would extend the authority granted to municipalities to establish redevelopment project areas and to adopt tax increment allocation financing. 01/01/13. Passed House (117Y; 0N). Senate (56Y; 0N)

*Innovation Zones SB 3638 – Bond (D-Grayslake); *House Sponsor: Currie (D-Chicago)* – This bill would create innovation zones that include activities to encourage and retain entrepreneurs and highly skilled, educated graduates and workers, supplement public/private sector collaborations. Passed Senate (53Y; 0N). Passed House (107Y; 10N). Passed Senate (54Y; 4N)

*Illiana Expressway SB 3659 Hutchison (D-Chicago Heights) *House Sponsor: Currie (D-Chicago)* – Allows the Illinois Department of Transportation to actively use public-private partnership financing mechanisms to design, fund, build and construct the Illiana Expressway. Passed House (116Y; 1N). Passed Senate (58Y; 0N).